VZCZCXYZ0014 OO RUEHWEB

DE RUEHNC #0235/01 0481000 ZNY CCCCC ZZH O 171000Z FEB 06 FM AMEMBASSY NICOSIA TO RUEHC/SECSTATE WASHDC IMMEDIATE 5570 INFO RUEHAK/AMEMBASSY ANKARA PRIORITY 4536 RUEHTH/AMEMBASSY ATHENS PRIORITY 3496 RUEHLO/AMEMBASSY LONDON PRIORITY 1130 RUEHVI/AMEMBASSY VIENNA PRIORITY 0413 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0460 RUEHBS/USEU BRUSSELS PRIORITY

CONFIDENTIAL NICOSIA 000235

SIPDIS

SIPDIS

E.O. 12958: DECL: 02/16/2016

TAGS: <u>PGOV PREL CY GR</u>
SUBJECT: GREEK CYPRIOTS OFFER DORA BAKOYIANNI A LUKEWARM (AT BEST) RECEPTION AS NEW GREEK FM

Classified By: Ambassador Ronald L. Schlicher; Reason 1.4 (B) AND (D).

11. (C) Summary: The Greek Cypriot reaction -- both official and unofficial -- to the appointment of Dora Bakoyianni as Greek Foreign Minister was noticeably cool and reserved. Bakoyianni has the reputation here for being both pro-American and soft on the Cyprus issue. Only the right-wing, pro-Annan Plan DISY was effusive in its praise for the appointment, and DISY leader Nicos Anastassiades was one of the first Greek Cypriot heavy-weights to call Bakoyiannis to congratulate her. The other large parties --DIKO, AKEL and EDEK -- were noticeably quiet. The smaller, nationalist parties issued statements critical of the appointment and expressed consternation at Bakoyianni's support for the Annan Plan prior to the April 2004 referenda. Official reaction has been relatively muted. Government spokesman George Lillikas stressed the GOC's hope that cooperation between the two countries would continue "on the basis of our mutually agreed policy on the Cyprus issue." The pro-government Greek Cypriot media expressed concern that Bakoyianni's appointment threatened to undercut the efforts of President Papadopoulos and former Greek FM Molyviatis to reverse the negative international climate that followed the Greek Cypriot rejection of the plan. Opposition newspapers welcomed Bakoyianni's appointment as an opportunity to break the current logjam on the Cyprus issue. Our contacts in the government have generally adopted a restrained, wait-and-see attitude towards the appointment. Privately, however, DISY leaders are finding it difficult to contain their glee. End Summary.

12. (SBU) While not unexpected, the appointment of Dora Bakoyianni as Foreign Minister of Greece sparked some concern among Greek Cypriots about possible friction between Athens and Nicosia over the Cyprus issue. Bakoyianni and her father Constantinos Mitsotakis are seen here as largely pro-American, soft on Turkey and pro-Annan Plan. The small nationalist parties and the far-right press were the most negative about the appointment. The European Party criticized Bakoyianni's support for the Annan Plan, adding that if the new Greek FM were "to adopt the views of (UK FM) Straw and the Americans, her appointment would be a very negative development for Cyprus." The right-wing Simerini, which has begun to criticize the government for being "too soft" on the Cyprus issue, warned that Bakoyianni's appointment signaled a major shift in Greek policy towards the Cyprus issue. The paper predicted that Bakoyianni would work to improve relations with Turkey at Cyprus' expense and highlighted her father's past criticism of Tassos Papadopoulos.

- ¶3. (C) While taking pains not to sound any alarm bells, the GOC's official position was noticeably cool towards the Bakoyianni appointment. GOC spokesman Lillikas stressed the government's hope and expectation that cooperation between the two countries would continue "on the basis of our mutually agreed policy on the Cyprus issue." Greek Cypriot commentators across the political spectrum have understood this as a clear warning to Bakoyianni not to rock the boat on the Cyprus issue. Cypriot officials at the MFA are shrugging off the appointment, which they see as having little bearing on Greece's approach to the Cyprus issue. Greek Embassy Political Chief Kostas Kollias told us that GOC officials had been careful but "correct" in discussing Bakoyianni. Kollias did not anticipate any major friction or any kind of public falling-out between Athens and Nicosia over Cyprus policy.
- 14. (C) The large parties in government -- AKEL, DIKO and EDEK -- have been restrained in their public comments. AKEL General Secretary Christofias stressed that his party would "cooperate with Bakoyianni" in an effort to promote the common interests of Greece and Cyprus. Privately, AKEL's number two, Nicos Katsourides, told us that he was unconcerned about Bakoyianni's appointment. "No Greek politician can afford a falling out with us," he explained. "She will eventually have to make a pilgrimage here, and she will have to say all of the right things. Otherwise, she will pay the price back home." DIKO deputy Zacharias Koulias, meanwhile, told Radio Proto that the appointment risked destroying Papadopoulos's and former Greek FM Molyviatis's "tireless but successful" (sic) efforts to reverse negative international opinion of Greek Cypriots after the referendum, as well as their efforts to pursue a "European solution" to the Cyprus problem.
- 15. (C) In sharp contrast, the pro-settlement opposition DISY party has had a hard time disguising its glee at Bakoyianni's appointment. DISY leader Nicos Anastassiades was among the first to call Bakoyianni to congratulate her. DISY Deputy Leader Averof Neophytou told us that the elevation of Bakoyianni to the FM job was a slap at Tassos Papadopoulos and an opportunity for DISY to reassert its position as the natural ally of the current Greek government. Echoing this same theme, the pro-DISY Alithia newspaper wrote that Greece was replacing Molyviatis's conservative foreign policy with a more pro-active policy that seeks to engage Turkey and the EU. Evidence of this, it said, was the GOG's effort to distance itself from Papadopoulos's fiery reaction to British FM Jack Straw's visit to Turkish Cypriot leader Mehmet Ali Talat in his office. An op-ed in Alithia called on Greece to look beyond the "rejectionist policy of Papadopoulos," and to join with Cyprus in taking advantage of international interest to break the current stalemate.
- 16. (C) COMMENT: Bakoyianni's appointment hardly came as a surprise to the Greek Cypriot political elite, but there is real concern here that her position on the Cyprus issue will be less accommodating of GOC sensitivities than that of her predecessor. Strong support from Athens is taken as a given by the Greek Cypriot public, and we expect the GOC to take great pains to paper over any differences that might raise the specter of Greece's distancing itself from Cyprus. This is particularly true in the pre-election period. Iacovou will likely go to Athens early on and will work hard to ensure that the visit is seen as confirming a continuation of the policy of "Cyprus decides; Greece supports." End comment.

 SCHLICHER